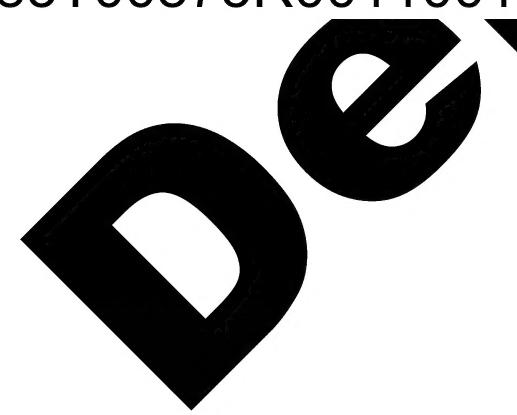
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## Confidential



DIRECTORATE OF INTELLIGENCE

# Intelligence Memorandum

Prospects Brighten in Northeast India

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INTELLIGENCE MEMORANDUM

## Prospects Brighten in Northeast India

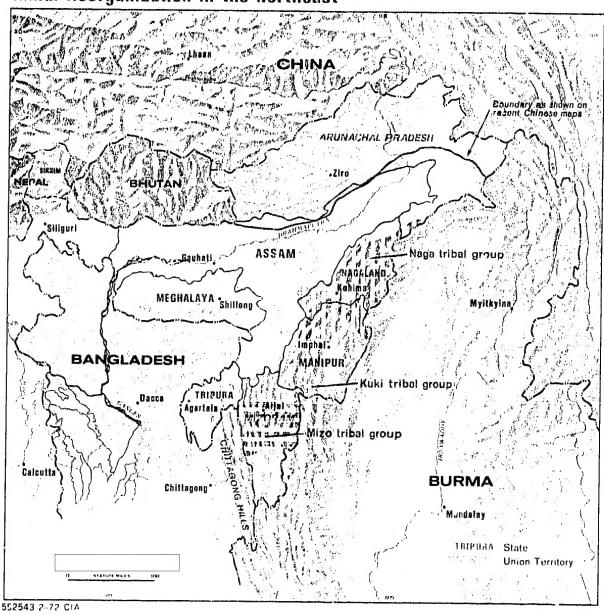
## Introduction

One of the most significant accomplishments of India's 1971 winter session of Parliament was the long-anticipated passage of legislation authorizing a major political reorganization of strategically important northeast India, which since independence has been all but isolated from the rest of the country by the interposition of East Pakistan. The basic purpose of the new scheme—which created three new states and two union territories—is to reshape the administrative apparatus in India's economically backward eastern extremity in order to hasten development and provide a forum in which the inhabitants can discuss and reach agreements on matters of common concern.

The 98,000-square mile area is a mosaic of densely populated valleys and sparsely inhabited hills with vast linguistic and ethnic diversities. The 20 million inhabitants generally share little affinity with India's predominantly Hindu population. Tribal unrest and armed rebellion have troubled the region, but New Delhi has slowly succeeded in alleviating resentment of its control by granting substantial political concessions to groups seeking greater autonomy, while pursuing a tough line with independence-minded rebels. In the last several years the over-all security situation has improved considerably, and the sudden replacement of a hostile East Pakistan with a friendly Bangladesh

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enhances prospects for the region's political stability and economic development. The resumption of transit rights through Bangladesh will greatly facilitate access to markets in India, and the anticipated expansion of personal contacts may help mellow the parochialism that has retarded development in the entire region since East Pakistan was created 25 years ago.

Area	Capital	Old Status	New Status	Area*	Population**
Assam	Shillong (temporary)	State	State	30,400	14,528,314
Mizoram	Aijal	District in Assam	Union Territory	8,100	329,000
Meghalaya	Shillong	Sub-state in Assam	Stava	8,666	983,336
Arunachal Pradesh	Ziro	Northeast Frontier Agency	Union Territory	31,438	444,744
Nagaland	Kohima	State	State	6,366	515,561
Tripura	Agartala	Union Territory	State	4,036	1,556,822
Manipur	Imphal	Union Territory	State	8,628	1,009,555
*square miles **1971 figures					

# Major Features of Reorganization Scheme

Regional governor appointed by the President of India—B. K. Nehru, former ambassador to US Common high court

Advisory Northeast Council to foster intra-regional cooperation chaired by Prime Minister Gandhi Partially unified administrative apparatus

## The Northeast Problem

- 1. Over the years, the strategic northeast has presented New Delhi with a problem rivaled only by that of Kashmir. The British claimed, but never brought under control, the entire 98,000-squaremile area, and with Indian independence in 1947 New Delhi inherited a vague suzerainty over the dozens of tribal groups that inhabit the hills surrounding the central valley of Assam. India attempted to assimilate the diverse inhabitants, who live in relative isolation from each other and from Hindu society, but in the following two decades New Delhi has faced mounting resistance with demands ranging from autonomy to complete independence.
- The Indian Government has adopted a tough policy toward the latter. This policy, coupled with concessions to the moderate autonomists and substantial economic aid, has scored considerable success. The recent political reorganization of the area elevated the status of five of the region's seven components, thereby adding three new states and two union territories. (India now has a total of 21 states and six union territories.) The package provided for the appointment of a single regional governor by the president of India, a common high court, a partially unified administrative apparatus, and the formation of the Northeast Council, waich will advise on economic and security matters and which hopefully will for the first time lead to substantial intra-regional cooperation.
- 3. New Delhi has long approached requests for the decentralization of authority and more local autonomy in the northeast with a good deal of caution, making such concessions dependent upon improvements in the internal and external security situation. The government's confidence has been strengthened by relative calm in the region during the past several years, although New Delhi still recognizes the area's basic political instability, its economic backwardness, and the residual hostility of various groups toward India and one another.

- 4. The emergence of an independent Bangladesh has favorable implications for the entire region. Since the partition of India, the Indian heartland has been linked with the northeast only by a 14-mile-wide corridor, the Siliguri Gap. The vulnerability of the five Indian Army divisions normally stationed in the northeast (about 150,000 men, including paramilitary personnel) has now been reduced, and India's defense effort on the eastern front, at least for the foreseeable future, can focus on defending the northern border facing Communist China. Indian troops also can expect fewer problems from the remaining tribal rebels who formerly found support and sanctuary in East Pakistan.
- 5. Resumption of commercial relations with Bangladesh, which were lost following the 1965 Indo-Pakistani war, should hasten the northeast's economic development. The re-opening of direct surface and water routes through Bangladesh to Calcutta and ports on the Bay of Bengal is expected to bring mutual economic benefits and chip away at provincial sentiments nurtured by isolation. Moreover, easy access to markets in Bangladesh and India should provide the incentive for tapping the northeast's abundant natural resources, particularly coal and oil, and its vast hydroelectric potential.

## Assam: Shrinking Borders

- 6. Assam is the only unit to lose territory in the reorganization, but its population remains far larger than the combined total of the other six, and it retains the relatively prosperous Brahmaputra Valley. Nagaland, Meghalaya, and, most recently, the Mizo Hills (renamed Mizoram) were carved out of Assam in answer to demands from the tribal inhabitants for greater control over their own affairs. Because of its location on the frontier facing China, Arunachal Pradesh, formerly the Northeast Frontier Agency, never came under direct Assamese control. Instead, it was administered directly from New Delhi--though constitutionally remaining part of Assam State.
- 7. The array of ethnic groups found in the northeast is explained by a long history of migration and invasion by Mongols from the north and



Hill Village



Indian Troops



**ASSAM** 



east and by Aryans from the west. Today most of the people, although of tribal origin, have lost their tribal characteristics through assimilation. Still, there are several million people living in the recently truncated hills beyond the central Brahmaputra Valley who can be regarded distinctly as tribals. Assam received a fairly heavy flow of migrants, particularly Hindu entrepreneurs, teagarden laborers from near-by Indian states, and refugees from former East Pakistan.

## Assam - New Delhi Relations

- 8. Assamese officials do not appear to resent dismemberment of the state as deeply as they resent other aspects of their treatment by New Delhi. They claim the central government has not adequately compensated them for the physical isolation and economic disadvantages imposed by the creation of East Pakistan in 1947. When the Chinese broke through Indian Army lines in the northeast in 1962, Prime Minister Nehru offered the Assamese sympathy but could not ensure their defense. To this day many Assamese tend to believe New Delhi would be willing to abandon the entire region in the event of a massive Chinese attack.
- The Assamese Government's chronic complaint about the amount of federal assistance -- which constitutes more than half the state's revenue and almost all of its developmental expenditure -- was somewhat softened last year by a promise of additional aid, including funds for another oil refinery. The decision to construct the refinery is economically controversial, but the Assamese, having pressed New Delhi for several years, regarded the issue as a test of the central government's stated willingness to accelerate industrial development to stimulate Assam's stagnant economy. Despite India's contributions, many Assamese are likely to charge that New Delhi still gives too little in exchange for the profits it receives from tea, the state's major industry.

## Internal Strains

10. Although its most restless tribal areas have been put out on their own, Assam still faces

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pressures from tribesmen in the central Brahmaputra River Valley and the surrounding hills. Many of them have been heavily influenced by Protestant missionaries. Agitation for additional privileges and power is likely to continue. The tribesmen will be spurred by their resentment of the state's mon-tribal Hindu majority, which controls the Assam government and economy, and encouraged by concessions already accorded other tribals. Muslim and other minorities were given increased representation in the ministry formed by the Ruling Congress Party in November 1970, but Hindu politicians still predominate. The Ruling Congress holds a healthy majority in the legislative assembly, but is troubled by factionalism. At Prime Minister Gandhi's urging the chief minister resigned last month following intra-party squabbles over the choice of candidates for the elections next month. pected that the Ruling Congress candidates favored by New Delhi will probably win majorities in all but a few of the 16 state assemblies to be elected in March.

## Meghalaya: "Abode of the Clouds"

- 11. The new state of Meghalaya was part of Assam, a sub-state put together in 1970 from the Garo and United Khasi - Jaintia Hill district. unique status was devised during negotiations between New Delhi and the moderate All Party Hill Leaders Conference, which represents tribes in the The Tibeto-Burmans who dominate Meghalaya had long resented domination by Hindu plainsmen from the central Brahmaputra Valley, but New Delhi was reluctant to risk creating an unviable economic unit in an area adjacent to East Pakistan. In approaching state elections the Ruling Congress Party will try to increase its minimal representation in the assembly, but the popularity of the All Party Hill Leaders Conference, which led the area to statehood, remains high.
- 12. Meghalaya's mountainous terrain, the scarcity of transport and communication facilities, and lack of industry make it almost totally dependent on New Delhi for development resources. Administrative talent is extremely limited, though literacy is relatively high among the predominant Khasi and Garo

tribesmen. The state is thought to have substantial limestone and coal deposits, and its southern slopes have a considerable hydroelectric potential which Bangladesh could eventually use. The former capital of Assam, Shillong, is located in Meghalaya, but New Delhi has promised to help finance a new headquarters for Assam, probably at Gauhati in the Brahmaputra Valley, within three years.

## Mizoram: "Land of the Hillmen"

13. The Mizo Hills, formerly Assam's largest district, have become a federally administered union territory named Mizoram. A tongue-shaped salient, wedged between Burma and Eangladesh, it is dominated by the Mizo tribes whose ancestors migrated from the Chin Hills of Burma. The British took over the area in the latter part of the 19th century, but denied access to it by any but British officials and Christian missionaries. One result is that today almost all the Mizos are Christians.

#### Mizo Rebellion

- 14. After Indian independence, the Mizos generally acknowledged their inclusion in the Indian Union and cooperated by electing representatives to the Assam legislature. Nonetheless, decades of isolation and the lack of cultural, ethnic, and linguistic affinity with the rest of India, as well as an increasing disenchantment with control by the government of Assam, sowed the seeds of a secessionist movement in the early 1960s.
- 15. New Delhi's willingness in 1962 to meet the demands of neighboring Naga tribals for their own state encouraged the Mizos to launch an armed revolt in March 1966. The rebels formed the Mizo National Front and proclaimed complete independence as their objective. Mizo guerrillas attacked major administrative centers in the district, and Indian troops had to be sent into the area. Up to 20,000 Indian soldiers have been tied down with policing duties there ever since. The government moved loyal tribesmen from border areas into "protected villages" so that they would be free from guerrilla demands for food, shelter, and money. The rebels, however,

were able to acquire small arms and training in East Pakistan, and frequently sought sanctuary in the Chittagong Hill Tracts, where rebel "president" Laldenga established a base.

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A four-month amnesty was declared, and rebels who surrendered during this period were to be pardoned, given a small cash grant, and receive a reward for serviceable arms and ammunition. The response was not as large as New Delhi hoped, though reportedly the offer did attract some 13 Mizo leaders and more than 300 followers. Last month New Delhi extended the amnesty for two months and liberalized the terms.

17. As a result of Mizoram's upgraded status, its district council--which was subordinate to the Assam Government--will be replaced by an elected assembly and a council of ministers. Members of the Ruling Congress, which dominated the district council, probably will continue to prevail over the moderate Mizo Union Party.

## Arunachal Pradesh: "Land of the Rising Sun"

18. The Indian constitution prescribes various protections and safeguards for tribal communities to promote their educational and economic interests. In addition, government spending for roads, schools, and clinics in tribal areas has been relatively high. In no other part of the nation has New Delhi spent so much money, on a per capita basis, as in Arunachal Pradesh. The area has also presented the central government with the most complex sociological and topographical problems in implementing development programs.

19. Twenty-five tribes possessing widery divergent languages and cultures occupy this sparsely populated 31,000-square-mile territory. It is composed of five frontier divisions, most of which are heavily forested and mountainous. The annual rainfall is near the highest in the world. Annual flooding caused by the monsoon and melting Himalayan snow hampers communication and inhibits efforts to replace inefficient slash-and-burn cultivation with a permanent system more promising of self-sufficiency.

#### The China Problem

20. Arunachal Pradesh was briefly thrust into international prominence when it became the major theater on the eastern front in the 1962 Sino-Indian border war. India is still extremely sensitive about this territory, since Peking has never renounced earlier claims to most of it. In addition it contains an important trans-Himalayan route from India to Lhasa, Tibet.

## Developmental Efforts

- 21. Despite considerable tribal diversity, inter-tribal and village warfare is not as bad as it once was, and New Delhi has been concentrating on organizing a development program. One of the main difficulties has been in recruiting qualified Indian civil servants willing to accept assignments in this forbidding area.
- 22. The Indian Government is expected to continue fostering steps toward elected local government and gradually to diminish the powers of centrally appointed political officers. For the near future, however, it is unlikely that there will be a significant modification of the policy, begun by the British in about 1875, of placing the area offlimits to most outsiders.

## Nagaland: A Reluctant Neighbor

23. The strongest opposition to the reorganization came from Nagaland, though it alone in the area was virtually unaffected. The state government at Kohima resisted New Delhi's proposal for a

Northeast Council and was largely responsible for making it an advisory body on security and economic matters rather than an executive body. Even so, Nagaland has not yet agreed to participate in council meetings. Naga tribesmen fought vigorously for greater autonomy, and even those who accepted statehood when it was granted in 1962 have been extremely wary of encroachments on their prerogatives.

#### Naga Rebellion

Until recently, Nayaland constituted India's most difficult problem in the northeast, despite large grants of economic assistance and the existence of a greater degree of autonomy than had been accorded most Indian states. The problem basically stemmed from the Nagas' determination not to be absorbed culturally, economically, or politically into a nation they felt was totally alien to them. Protestant missionaries have been so active that Nagaland is the only Indian state which has a Christian majority and English as the predominant language. The British never asserted full authority over the Nagas and after independence, Naga leaders headed by Angami A. Phizo claimed that India had no legal basis for taking over the region. New Delhi negotiated an uneasy compromise with Naga leaders in 1962, but this was rejected by militants who resorted to civil disobedience. In 1964 the rebels reluctantly agreed to a temporary ceasefire--which has been repeatedly extended in the succeeding years. Although intermittent talks between New Delhi and the insurgents took place in the mid-1960s, no final agreement has ever been reached. And there is no indication today that New Delhi intends to reopen negotiations as long as a rebel force of about 2,000 continues to demand independence.

## Improved Situation

25. India's hard-line policy toward the rebels and its generally satisfactory relationship with the moderate Nagas who dominate the state government appear to be paying off. Last September, New Delhi withdrew some of its army units and

reassigned them to the East Pakistan border, reflecting a more relaxed attitude toward the insurgent threat as will as growing confidence in the state government. Earlier that month three by-election victories for the pro-India Naga National Organization, which holds a majority in the state assembly, had strengthened the hand of Chief Minister Hokishe (There is no Ruling Congress Party in Naga-Sema. land.) The opposition United Front of Nagaland, however, probably has picked up support from rebeis who lost their East Pakistan sanctuary and from those who are dissatisfied with New Delhi's handling of such issues as the protracted border dispute with Assam and the granting of statehood to Manipur, which is the homeland of three Naga tribes. Some elements of the Naga National Organization favor the resumption of talks between New Delhi and the Naga National Council, the political wing of the underground Nagas, in order to reach a final settlement and bring to conclusion the insurgents' protracted, disruptive, and seemingly futile struggle for independence. In any case, the state administration has extended its control into the remote hills where rebel support is strongest.

## Waning Rebel Fortunes

- 26. Rebel leader Phizo, now 67, has been in exile in London since 1960 and is seeking a visa to come to New York to present his case for an independent Nagaland before a UN subcommittee on the protection of minorities. During the hostilities in Bangladesh last year, Phizo reportedly called on his followers to step up their activities in Nagaland and Manipur in order to tie down Indian forces there. Though Phizo is probably still revered by many Nagas, his influence will continue to decline so long as he is absent from the scene.
- 27. The rebels have long suffered from divisions within their ranks, and in 1967 a major split occurred. Tribal enmities were a major factor,

though ostensibly the issue was whether to seek negotiations with New Delhi or revert to fil-out guerrilla warfare. Most of the moderates come from central Nagaland and oppose the more militant Phizo adherents from southern Nagaland who favor seeking
Communist Chinese assistance.

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29. With the conclusion of hostilities in Bangladesh, some Indian troops may be reassigned to Nagaland. In early November, Chief Minister Sema claimed that some of the insurgents were taking advantage of the troop withdrawal in order to conscript more tribesmen for the rebel army and were forcibly collecting rations and taxes from some villages. New Delhi expects, however, that the emergence of a friendly Bangladesh will inhibit Naga rebels, who, like the Mizos, used East Pakistan as a refuge. After the fall of Dacca in December, four Naga underground leaders—including General Thinouselie, commander in chief of the army—surrendered to Indian forces.

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## Tripura: Suffering with Bangladesh

- 30. The newly created state of Tripura claims to be the oldest of all the former princely states in India. Indian historians claim Tripura was ruled for an unbroken 1,300 years by maharajas who successfully managed to evade British attempts at annexation. It acceded to the Indian Union in 1949 and in 1956 became a union territory.
- 31. Tripura is surrounded by Bangladesh on three sides, and the inundation of Bengali refugees last year nearly doubled the state's 1.6 million population. The strain on the Tripura Government was alleviated somewhat by the imposition of President's Rule on 1 November. The factionalized Ruling Congress faces stiff opposition from the Marxist Communist Party in the March electoral contest, but the exodus of most of the Bangladesh refugees should enhance the former's prospects at the polls.

## Manipur: Upgraded

- 32. New elections will bring to an end almost two and a half years of President's Rule in Manipur. In September 1969, defections from the then-united Congress Party led to the fall of the legislative assembly, but the Ruling Congress is not expected to face much of a challenge in the coming voting and will most likely control the new assembly. Nearly one third of the population of Manipur is tribal, and the hill areas where most of them live will be divided into autonomous districts, each with an elected district council to deal with local matters.
- 33. New Delhi's decision to permit elections reflects its general satisfaction with the improved political and security situation in these almost inaccessible hills. Cooperation between the state's Kuki tribesmen and neighboring Mizo rebels who promised the Kukis an autonomous district in the Mizos' projected independent state led to some unrest, but this has cooled. According to Indian press reports, the surrender last fall of 38 Kukis brought this sort of armed resistance to an end.

34. Statehood should help lay to rest the conflict between the Kukis and Nagas who inhabit the sections of northern and eastern Manipur that Naga insurgents had envisaged as part of an independent Nagaland. Last summer the "Naga Integration Committee" intensified demands for united Naga-inhabited areas, but it was unable to prevent, or even delay, realization of Manipur statehood.

## The Outlook is Cloudy

- In ordering a blanket reorganization of the northeast, New Delhi came a long way from its earlier view that a large gaggle of autonomous tribal states would undermine the security of the region, touch off separatist tendencies elsewhere in India and, perhaps, begin a process that could lead to the disintegration of the Indian Union. New Delhi's apprehension has apparently abated as Prime Minister Gandhi moves into her seventh year in office and her government continues to grow in confidence and strength. The government has finally acted on the premise that, because of the complex ethnic composition of the population in the northeast, fractionalization is inevitable. It saw pressures for autonomy accelerate as various groups became politicized and witnessed the realization of their neighbors' aspirations. As a result, New Delhi finally concluded it could only concede increased civil authority and control over local matters while retaining control over the use of armed forces to maintain internal security (despite the lack of constitutional authority to do so in some instances) and the distribution of crucial economic assistance.
- 36. To its credit New Delhi has sincerely tried to protect tribal minorities from exploitation by outsiders and to preserve local cultures. Christian tribes and other groups share little in common with Hindus and Muslims in the rest of India and appear to prefer to maintain their own distinctive identity.
- 37. The problems of the northeast are far from solved. Small groups of mutually antagonistic tribesmen--particularly in Nagaland, Mizoram, and

Assam will very likely go right on hassling one another and harassing moderate local governments. Extremist elements such as the Naxalites from West Bengal can be expected to exploit tribal unrest and urge rebellion. The proximity of Communist China underlies India's concern over the northeast, and the fear of possible Chinese aggression will long remain an Indian obsession.

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